

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 10, 1999

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Ms. Anne Boyle, State Chair Nebraska Democrats 985 S. 27th Street Lincoln, NE 68510

RE: MUR 4836

Dear Ms. Boyl:

On October 26, 1998, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against the respondents. <u>See</u> attached narrative. Accordingly, the Commission closed its file in this matter on June 10, 1999. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

F. Andrew Turley / Supervisory Attorney

Central Enforcement Docket

Attachment Narrative

MUR 4836 DON STENBERG FOR SENATE COMMITTEE

Ann Boyle, State Chair of the Nebraska Democratic Party, alleges that the Don Stenberg for Senate Committee (the "Committee") appeared to have received \$9,400 in contributions in 1995 from family members and employees of a company that reportedly was under investigation by Mr. Stenberg during his tenure as Nebraska's Attorney General. She alleges that at least some of these contributions may have been part of a reimbursement scheme, evidenced by the fact that 6 of the 10 contributions appeared to have occurred on the same day. Mr. Stenberg lost the 1996 Primary for the U.S. Senate in Nebraska with 38% of the vote to Chuck Hagel's 62%.

The Committee responds that it had no reason to believe that these particular contributions in any way violated the FECA, and states that the complaint appears to be based more on speculation than fact. It also maintains that the complaint was politically motivated, as it was filed less than two weeks from the 1998 election in which Mr. Stenberg was seeking reelection as Nebraska Attorney General. The Committee asserts that the candidate's actions as Attorney General were not influenced by these contributions, and notes its belief that this complaint is part of a wider local controversy surrounding the alleged influence of campaign contributions on the actions of state officials.

Four family members, including a twelve year old son, and a former employee of the company in question respond individually that they contributed to the 1996 Stenberg campaign of their own volition and from their own funds.

This matter is less significant relative to other matters pending before the Commission.